

**LEGISLATIVE SERVICES AGENCY
OFFICE OF FISCAL AND MANAGEMENT ANALYSIS**

301 State House
(317) 232-9855

FISCAL IMPACT STATEMENT

LS 7114

BILL NUMBER: HB 1354

NOTE PREPARED: Jan 14, 2004

BILL AMENDED:

SUBJECT: Health Benefit Plans.

FIRST AUTHOR: Rep. Orentlicher

FIRST SPONSOR:

BILL STATUS: As Introduced

FUNDS AFFECTED: _____**GENERAL**
DEDICATED
FEDERAL

IMPACT: Pending

Summary of Legislation: This bill requires an employer with at least 10 full-time employees to offer at least one health benefit plan. It requires an employer to allow an employee: (1) to choose whether to participate in the plan; and (2) to pay the employee's cost of the plan through payroll deduction. It also permits an employer to pay or reimburse all or a part of the employee's cost to participate in the plan on an equal basis. The bill provides a credit of up to \$500 against state tax liability for the first year in which an employer offers a health benefit plan and requires an employer that claims the credit to notify employees who participate in the health benefit plan that the employee's contributions to the plan are included in the employee's state adjusted gross income.

Effective Date: July 1, 2004; January 1, 2005.

Explanation of State Expenditures: *As of the above date, the fiscal analysis of this bill has not been completed. Please contact the Office of Fiscal and Management Analysis for an update of this fiscal impact statement.*

Explanation of State Revenues:

Explanation of Local Expenditures:

Explanation of Local Revenues:

State Agencies Affected:

Local Agencies Affected:

Information Sources:

Fiscal Analyst: Dagney Faulk, (317) 232-9592